United Nations A/C.5/54/SR.26

General Assembly
Fifty-fourth session

Official Records

Distr.: General
14 February 2000

Original: English

Fifth Committee

Summary record of the 26th meeting
Held at Headquarters, New York, on Thursday, 4 November 1999, at 10 a.m.

Chairman: Ms. Wensley ..... (Australia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Section 13. Human settlements

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The meeting was called to order at 10.05 a.m.

Agenda item 126: United Nations common system (*continued*) (A/54/30, A/54/434 and A/54/483; A/C.5/54/24)

1. **Mr. Herrera** (Mexico), speaking on behalf of the Rio Group, reaffirmed the importance of the common system and the central role played by the International Civil Service Commission (ICSC) in regulating and coordinating conditions of service in organizations of the common system. The Rio Group welcomed the decision of the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) to resume its participation in the work of ICSC and in the Working Group on the Framework for Human Resources Management. It also broadly supported the recommendations contained in the Commission's report (A/54/30).

2. Concerning the review of the post adjustment at Geneva, the Rio Group shared the Commission's view that there was no benefit to be derived from pursuing the matter further. Any further review should be undertaken in the context of an overall examination of the system of post adjustments, which should be transparent, stable and predictable.

3. The Rio Group supported the 3.42 per cent adjustment of the base/floor salary scale on a "no-loss/no-gain" basis effective 1 March 2000. It had reservations, however, about the proposed amendment by the Administrative Committee on Coordination (ACC) to the statute of ICSC regarding the establishment of advisory panels. Firstly, the decisions adopted by the advisory panel would be binding neither on the parties nor on the Administrative Tribunals and thus would not in themselves be a deterrent to new litigation. Secondly, in the vast majority of cases the Administrative Tribunals confirmed the legality of the Commission's decisions. Lastly, the benefits to be derived from the establishment of the panels did not justify the costs involved. The proposal should therefore be given no further consideration, since any legal advice which the Commission needed could be provided by the legal advisers whose services were already available within the United Nations system.

4. Given the severe budget constraints with which the Organization was confronted, the Rio Group did not support the proposal to create a new group to review the mandate, membership and functioning of ICSC. The Commission itself was effectively proposing changes aimed at meeting the challenges facing the United Nations system of organizations. If necessary, the mandate of the Working Group on the Framework for Human Resources Management could be broadened. In any event, the Commission must be involved in any exercise to review its work.

5. **Mr. Jaremczuk** (Poland) said that a number of delegations had reservations about the proposed review of ICSC. In order to achieve a result that was acceptable to all parties, the Secretary-General should provide the information which the General Assembly had requested in its resolution 52/12 B and take into account the various points of view which Member States had expressed on the subject. Such an approach would assist the General Assembly and the Secretariat in formulating the scope and format of the review process in a way that would strengthen the common system and the role of ICSC, based on the effective implementation of its statute.

6. **Ms. Buergo Rodríguez** (Cuba) said that Member States had a responsibility to ensure that the necessary measures were taken to address the difficulties faced by the staff of the Organization. It was unacceptable for the preconceived policies of budget reductions and zero nominal growth which certain delegations were attempting to impose to continue to adversely affect the Organization's work and its personnel.

7. The loss of increasing numbers of young staff members was one such adverse consequence. The Organization must increase the level of motivation of staff and improve career prospects in order to retain their services. Conditions of service, which were becoming less and less competitive, should also be improved.

8. On the subject of the proposed review of ICSC, the note by the Secretary-General (A/54/483) did not provide all the information which Member States needed in order to consider the matter. The current proposal appeared to be seeking to redefine the institutional framework within which the Commission operated. Any review of the Commission should be carried out by the General Assembly itself. The note by the Secretary-General should therefore be withdrawn and consideration of the matter suspended until additional information was made available.

9. **Ms. Mann** (Food and Agriculture Organization of the United Nations (FAO)) said that the issue of the illegality of ICSC decisions had arisen because participating organizations of the common system were being condemned by the Administrative Tribunals for implementing certain ICSC decisions which could result in sizeable retroactive and unbudgeted extra costs.

10. Participating organizations were legally obliged to implement ICSC decisions, even though their own legal counsels might indicate to ICSC their doubts as to the legality of certain of the Commission's decisions. Following the reversal by the International Labour Organization (ILO) Administrative Tribunal of an ICSC decision to phase out the language factor for General Service staff, FAO, the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD) had faced retroactive and unbudgeted costs. In the case of FAO, those costs had amounted to $9.6 million, a figure that did not include costs related to staff members' appeals against the organization's elimination of the language factor, the response of FAO to those appeals, staff members' appeals to the ILO Administrative Tribunal, FAO arrangements for retroactive payment, consideration by the Finance Committee of FAO, and the legal fees of staff complainants.

11. In the case involving the language factor, IFAD had not had adequate funds in its budget to cover the costs which had been imposed and had been obliged to consult the member States of its governing body on an extraordinary basis. FAO had faced a similar situation, since, for the first time in its history, it had nearly exceeded its spending authority.

12. In another case involving the World Intellectual Property Organization (WIPO), a mistake by the Commission in calculating the post adjustment multiplier at Geneva had resulted in an unbudgeted cost of 73,500 Swiss francs. A similar situation had arisen with regard to the application by WIPO of the General Service salary scales recommended by ICSC — the application of the scales had been overturned by the ILO Administrative Tribunal. In that case, the unbudgeted extra costs to the organization had still not been ascertained.

13. Requests for an advisory opinion would be made only in cases in which the legality of a decision was in doubt. In view of the precedents, the proposal could save time and money. While the Commission might view the changes as being unnecessary, since there had been so few cases, $9.6 million in retroactive and unbudgeted costs for a single organization as a result of a single illegal decision of ICSC already exceeded what was reasonably acceptable. Her organization looked to the Fifth Committee to ensure the optimal functioning of ICSC and the common system. It also supported the Secretary-General's recommendation that a review of ICSC should be undertaken as part of the reform of the wider United Nations system.

14. **Mr. Sulaiman** (Syrian Arab Republic) said that his delegation had every confidence in ICSC. At the fifty-second session he had asked for the Code of Conduct to be submitted to the Commission for review.

15. With regard to the Secretary-General's proposal to form a review group (A/54/483), it would be preferable for any such review to be carried out by the Joint Inspection Unit rather than by an external group, as an external group was unlikely to be effective. He had no objection to the involvement in the review of staff representatives in a consultative capacity, which was their usual status at Commission meetings.

16. **Mr. Bel Hadj Amor** (Chairman of the International Civil Service Commission), responding to the points raised in the Committee, noted that delegations had placed particular emphasis on the Commission's independence, which must continue to be inviolate and non-negotiable if ICSC was to continue to function in accordance with its statute.

17. In response to the question concerning certain areas of the framework for human resources management which had been omitted from the Commission's report (A/54/30), he recalled that the Commission's report on the subject in 1998 had been an interim one and that the framework at that stage had been embryonic. While the areas in question were important, they were not "core" areas that required regulation at the level of the common system and therefore had not been identified in the report as separate elements of the framework. The Commission would continue, however, to work on policy guidelines, as needed, since the areas in question did fall under article 14 of its statute.

18. As to whether the application of the no-loss/no-gain principle would lead to an imbalance in favour of duty stations at which the post adjustment was very low or equal to zero, it was unavoidable that at those

few duty stations where post adjustment was lower than the amount being consolidated into the base salary, staff would experience a slight gain. That situation arose because negative post adjustment had been eliminated by the Commission in 1990 with the concurrence of the General Assembly. The linkage between the mobility and hardship allowance and the base/floor salary scale had been reviewed by the Assembly and the outcome confirmed. The Commission would examine that issue in the context of its next review of the allowance.

19. A number of representatives had expressed disappointment with the Commission's response to the General Assembly's request that it should review the issue of the post adjustment at Geneva to ensure that it was fully representative of the cost of living of all staff working at the duty station. The Commission had never shirked its responsibility to the General Assembly by refusing to reply to the Assembly's requests. In its reports for the years 1993, 1995, 1996, 1997 and 1999, it had provided the Assembly with detailed information and recommendations on the subject. One of the technical solutions which it had proposed was a methodology to address the single post adjustment decided upon by the Assembly. The Commission had realized, however, that that solution would create more problems than it solved and had brought those difficulties to the Assembly's attention.

20. On the subject of the education grant, the Commission had undertaken in 1989 a comprehensive review of the grant and had decided that it should remain solely an expatriate benefit payable only at the primary, secondary and post-secondary levels. It had reaffirmed that the grant's purpose was to aid the reintegration of children into the staff member's home country. Those decisions remained in effect.

21. On the question of the General Service salary survey for Paris, the problems currently facing the staff of the United Nations Educational, Cultural and Scientific Organization (UNESCO) originated in the managerial decisions taken by UNESCO over the years and were not the result of an ICSC salary survey or changes in the salary survey methodology. As for the inclusion of the public sector, including the national civil service, in the survey, it was the General Assembly which had requested the Commission to include that sector, on the ground that it comprised organizations with which the United Nations competed for staff. The list of employers to be surveyed had been drawn up by the staff and administration of UNESCO and had been presented to the Commission for approval only.

22. With regard to staff security, the Commission recognized that staff were often called upon to work in conditions that threatened their security and, in coordination with the Office of the United Nations Security Coordinator, it therefore granted hazard pay in a number of locations. Difficult security conditions were also recognized through the hardship scheme, which was the Commission's responsibility. Paragraph 166 of the Commission's report dealt with staff well-being in the context of the framework for human resources management.

23. In response to the statement made by the representative of FAO, it was not for the Commission to decide on the question of the language factor. The Commission merely communicated the results of the survey and made recommendations to the Director-General of FAO, who must then decide whether or not to implement those recommendations. Indeed, the United Nations Administrative Tribunal had itself stated that it was for the executive heads of organizations to decide whether or not to implement the Commission's recommendations and decisions if they believed that problems might arise as a result of so doing. In the specific case of FAO, moreover, the Tribunal had never ruled that the Commission's decision was illegal.

24. He had been surprised by the reference made by the representative of FAO to unbudgeted extra costs. He knew from experience that a security margin was always built into the budget of organizations of the common system. Firstly, each organization when preparing its budget must include provision for movements in the cost-of-living index. Secondly, not all posts budgeted for the financial year were filled at 1 January of that year. Those savings represented an additional margin of security. An organization's working capital fund and its provisions for exchange rate fluctuations constituted yet further security.

25. He wished to recall, lastly, that the Director-General of FAO had himself defended the Commission's position before the Administrative Tribunal and had fully supported the Commission's recommendations.

26. **Mr. Fareed** (Director, Office for Inter-Agency Affairs) said that a review of ICSC had been proposed

because there was indeed a problem. At a recent ACC meeting, for example, many executive heads had called for such a review, citing difficulties arising from actions which they had taken on the basis of ICSC recommendations. The United Nations system had to keep pace with the changes occurring in the world. In fact, almost all organs and organizations had themselves undergone review and renewal in recent years.

27. The review proposal did not constitute a criticism of the Commission but should be seen as part of the effort to make the work of the United Nations and its individual parts more effective. The Secretary-General had proposed the modalities and terms of reference for the review, which Member States could now improve and strengthen if they agreed to the exercise. The Secretary-General had the prerogative of making proposals to the Member States, which then had to decide whether to accept them. The Secretary-General had submitted his note on review of the International Civil Service Commission (A/53/688) on the basis of paragraph 22 of resolution 52/12 B. Paragraph 4 of section IV of resolution 53/209 was also relevant in that connection.

28. The Secretary-General was not proposing an inspection or an audit; the review was intended to be "forward-looking", and the Member States could ensure that it was. That was why the Secretary-General had included in the review group managers rather than experts, although strong expert advice would be made available to it — from the Member States, the organizations of the common system, and the private sector.

29. The work might well be carried out pro bono by the members of the review group, and their travel and other costs could be paid from travel and consultancy funds in the regular budgets of the United Nations and the organizations. It was the Committee's own final decision which would have to be the subject of a statement of financial implications, if necessary.

30. He had been asked why the work should be done by a review group rather than the Joint Inspection Unit or the Office of Internal Oversight Services. Both those bodies could review the Commission if they wished; the Secretary-General's proposed review was part of the wider context of the renewal of the United Nations and its family of organizations.

31. **Ms. Achouri** (Tunisia) said that the questions put by her own and other delegations had been specific and required specific answers, which had not been given. Her delegation repeated its request for written answers to be provided in a formal meeting of the Committee.

32. She had been surprised to hear the Director of the Office for Inter-Agency Affairs say that the review group would not be technical but "forward-looking". ICSC and the common system were in fact very complex and technical matters to deal with. It would be impossible to have confidence in the proposed exercise unless it was conducted on a sound technical basis. Even if the members of the group offered their services pro bono, it must be remembered that their travel and other costs would in the end be borne by Member States. All the organizations of the common system were operating in the same context of stringent budgetary discipline, which in fact justified the proposal for a review of ICSC.

33. **Ms. Mann** (Food and Agriculture Organization of the United Nations) said, regarding the status of ICSC recommendations, that at the Committee's 19th meeting the Legal Counsel had stated that the executive heads of the participating organizations were legally bound to give effect to decisions of the Commission taken within its competence and in practice bound to give effect to its recommendations. If any further clarification was needed, perhaps the Legal Counsel would be able to provide it.

34. **The Chairman** said that the request of the Tunisian delegation concerning written replies would be acted upon.

Agenda item 121: Proposed programme budget for the biennium 2000-2001 (*continued*) (A/54/6/Rev.1, A/54/7 and A/54/16)

First reading (*continued*)

Section 3. Political affairs (*continued*)

Section 4. Disarmament (*continued*)

Section 5. Peacekeeping operations (*continued*)

35. **Mr. Gallardo** (Bolivia) said that his delegation noted from table 5.1 that the estimates of regular budget resources under section 5 for 2000-2001 reflected an increase of 10 per cent, which was due to

the increased demand for United Nations services. All United Nations bodies should have the necessary resources to carry out their work, especially their priority tasks. Peacekeeping operations involved a very large volume of resources, which required proper management in order to prevent waste. His delegation endorsed the call made by a number of other delegations for greater efficiency of resource use under the section.

36. **Mr. Repasch** (United States of America) said that the activities carried out under section 5 related to one of the Organization's highest priorities. His delegation commended the Secretariat on the slight decrease in total resources requested, which was due mainly to the reorganization of the Department of Peacekeeping Operations. It was not entirely content with efforts to review the peacekeeping function as a whole, but the Department had taken a good first step.

37. The expected accomplishments noted in paragraph 5.14 seemed vague. For example, his delegation would like to hear from the Secretariat how it intended to measure "maintenance of an open dialogue with Member States" and "increasing awareness of the public". It noted from paragraph 5.24 that the decrease under subprogramme 1 was due to reduced communications costs. It would like to know how the savings had been achieved and whether the same approach could be used elsewhere in the programme budget. It also noted that the decrease of $396,500 under subprogramme 3 was due to departmental reorganization. It wished to point out, however, that many of the outputs described in paragraph 5.37 concerned such activities as aviation safety, air transport policy and field mission logistics systems, which should have been completed long ago. Those activities were also identical to the ones established for 1998 and 1999. If they had not been completed, the Secretariat should say why. If they were perennial, they should be described as such.

38. His delegation would also like to know why the insurance premiums for the vehicles of peacekeeping missions, in particular the United Nations Truce Supervision Organization (UNTSO) had increased and what accomplishments were expected for peacekeeping missions in the next biennium. It would also like an explanation of the security reimbursement referred to in paragraph 5.58 in connection with the United Nations Military Observer Group in India and Pakistan (UNMOGIP). He asked whether the security situation in UNMOGIP differed from the situation in other peacekeeping missions. An explanation should also be given for the substantial increases mentioned in paragraph 5.62 in the cost of rental of aircraft and in the monthly subsistence allowance for aircrews. In view of the functions listed in paragraph 5.68, it was hard to understand why the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO) was included under section 5. His delegation tended to agree that the titles of sections 3 and 5 should be changed to reflect the fact that special missions now appeared under section 3.

39. **Ms. Buergo Rodríguez** (Cuba) said that her delegation wished to reiterate the question it had asked under section 3 about the measures being taken to prevent duplication of functions between the Department of Political Affairs and the Department of Peacekeeping Operations. The General Assembly might be able to merge some of the functions of the two departments, as it had done in the case of certain economic activities.

40. It would be grateful if the Secretariat could indicate the mandates justifying the activities mentioned in the last sentence of paragraph 5.6 and in paragraphs 5.7, 5.15 (b) and 5.24. It might also indicate the criteria for deciding whether an activity should be funded from the regular budget or from extrabudgetary resources. In that connection the budget document contained several examples of requirements for resources for activities which could apparently be financed from the support account; the Secretariat should give some explanation of the situation. With regard to the requirements contained in paragraph 5.21 relating to travel of various officers of the Department, her delegation would welcome information about the pattern of costs in that area for the current biennium. It would also like to know what criteria were applied in deciding on attendance at the seminars and conferences referred to in paragraph 5.21 (a) and on the areas of cooperation between the Department and regional organizations.

41. **Mr. Daka** (Zambia) said that Zambia contributed both military and civilian personnel to peacekeeping operations, an activity to which it attached great importance. It was concerned about the backlog of claims relating to contingent-owned equipment. The problem must be given serious attention, for it affected the future contributions of some of the contributing countries which were in a very difficult financial

situation. His delegation supported the proposed measures to deal with the problem, in particular the recruitment of additional staff. It also supported the statement contained in paragraph II.32 of the ACABQ report (A/54/7) concerning the transfer of funding relating to contingent-owned equipment from the regular budget to the support account.

42. **Mr. Odaga-Jalomayo** (Uganda) said that his delegation shared the concerns expressed by other delegations with regard to the sections discussed at earlier meetings.

43. Regarding section 3, the question of the designation of the level for the representatives of the Secretary-General should certainly be taken up in informal consultations, where his delegation would also seek clarification of the confusing narrative on electoral assistance. It would like to know what exactly the Organization's policy was with regard to regular budget and extrabudgetary resources: the distinction was confused throughout the section. His delegation naturally supported the Decolonization Unit and agreed that its travel costs should be shown clearly and separately.

44. His delegation's only comment on section 4 was to state its pleasure that all the disarmament centres were operational. Uganda was grateful for the work being done, especially at the centre in Lomé.

45. Turning to section 5, he again drew attention to the confusing mix of regular budget and extrabudgetary resources, particularly in connection with allocations for travel. His delegation would welcome a specific statement as to whether contingent-owned equipment was funded from the support account or the regular budget.

46. It had difficulty accepting requests for reclassification of posts when the reason was the phasing-out of gratis personnel. Such personnel had never been regarded as members of the Secretariat staff and their phasing-out should not affect the functioning of the Organization in any way. Phasing-out should certainly not be cited as the reason for the non-completion of the database on trust funds.

47. His delegation would like to know what the latest position was on the streamlining of the activities of the Department of Peacekeeping Operations and the Department of Management and on the delegation of authority from the Office of Human Resources Management to the Department of Peacekeeping Operations. One particular concern was the safety of peacekeeping personnel. It was very worrying to learn, for example, that some of the aircraft used in UNMOGIP were not airworthy.

48. **Mr. Sach** (Director, Programme Planning and Budget Division) said that there was always some potential for duplication between departments with complementary functions, such as the Department of Political Affairs and the Department of Peacekeeping Operations. A review of the relationship between those two Departments had been undertaken in the context of the Committee's consideration of the support account for peacekeeping operations (A/53/854/Add.1), as mentioned in table 5.24 of the proposed programme budget, and had formed the basis on which the General Assembly had taken action concerning the support account. The issue was kept under constant review. At the level of the department heads, coordination was ensured by the Executive Committee for Peace and Security, which had been established as part of the Secretary-General's reform efforts and which included the two Under-Secretaries-General concerned. With respect to the potential for duplication in the backstopping of missions, it was true that similar logistical support arrangements were made for special political missions and peacekeeping missions. However, the Field Administration and Logistics Division of the Department of Peacekeeping Operations provided such services to both Departments, so there was no overlap.

49. Regarding the number of posts requested for the Military and Civilian Police Division, the strength being requested for 2000-2001 was the same as in the current biennium. The question as to whether the new arrangements were working well had been considered recently by the Special Political and Decolonization Committee, which had concluded that the experience to date had been favourable.

50. With respect to the use of regular-budget and extrabudgetary resources, it should be borne in mind that most of the extrabudgetary resources of the Department of Peacekeeping Operations were support account funds that were assessed amounts appearing in the individual budgets of individual peacekeeping operations. The Secretariat took a pragmatic, common-sense approach to the determination of which source of funding should be used to finance expenses such as travel. For example, activities of the Field

Administration and Logistics Division were normally charged to the budget of the mission concerned; however, if the activities were non-mission-related, they would normally be charged to the regular budget. There could be no hard and fast rules on that score if an efficient structure was to be maintained.

51. The work on the trust fund database would take time to complete because the Department had had to bear the additional strain of the East Timor and Kosovo missions, which took precedence over internal improvements to the Department. The policy with respect to trust funds was to close them once they had served their purpose and their resources had been exhausted. The trust funds in question still had remaining balances and were not ready for closure because the programming of those resources had not been completed. With respect to the rental of aircraft, the monthly cost had increased from $28,200 to $48,000 because the type of aircraft used for the United Nations Military Observer Group in India and Pakistan (UNMOGIP) had been changed for safety reasons. As to why general temporary assistance for the clearance of claims for contingent-owned equipment should be funded under the regular budget, he recalled that the Department of Peacekeeping Operations was financed jointly from the regular budget and the support account. Since support for peacekeeping operations included the processing of such claims, that activity was financed partly from the regular budget and partly from the support account. Since the Fifth Committee approved both regular-budget and support-account resources, it could decide whether it wished to shift the balance between the two.

52. The $419,300 being requested for miscellaneous services in the United Nations Truce Supervision Organization (UNTSO) (A/54/6 (Vol. II, para. 5.51)) included a number of expenses, the largest of which was grounds maintenance in the amount of $159,000. The $195,400 being requested for UNMOGIP (para. 5.61) included the rental of trucks, vehicle insurance, laundry, uniforms and clearance of inland transport. He could provide complete breakdowns of those amounts in writing. The amounts being requested in paragraph 5.62 were in line with a recommendation made by the United Nations Security Coordinator in the light of the current situation of the mission; further information in that regard would be provided in informal consultations.

53. In reply to a question raised previously by the representative of Japan, he said that the methodology used to adjust for inflation had been the same as that used in all other sections of the budget, which had reflected the parameters of the first performance report for the 1998-1999 programme budget. Forty-eight different inflation rates had been used, reflecting those applied to General Service and Professional posts and to non-post requirements at 16 duty stations. The rates applied within a given budget section depended on the duty stations concerned. Overall, the rate used for section 5 as a whole amounted to about 10 per cent. He could provide written examples of how the methodology worked. All the rates would be reviewed in the context of recosting the budget, at which time they could be updated.

54. With respect to the $254,300 decrease in communications costs (para. 5.24), the Organization had benefited from the rate reductions that had resulted from increased competition in the world communications market. As to expected accomplishments, the development of performance indicators was outside the scope of the budgeting exercise for the moment, although some preliminary work had been done in connection with the proposed introduction of results-based budgeting. The possible movement of six posts to the Rapidly Deployable Mission Headquarters was currently under review and would be discussed in a forthcoming report on the support account. With respect to cooperation with regional operations in connection with peacekeeping missions, a number of joint operations were being carried out. Since such cooperation required a good working rapport between the individuals concerned, provision had been made for attendance at seminars and conferences (para. 5.21 (a)). He would provide more details in writing. Lastly, since the Committee had completed its first reading of budget sections 3 and 4, he would answer the additional questions on those sections in informal consultations.

55. **Mr. Odaga-Jalomayo** (Uganda) said that all sections of the proposed programme budget remained open for discussion even after the completion of the first reading and that delegations could still raise questions on sections considered previously. He was surprised at the explanation of the "common-sense" approach taken to the use of regular-budget and extrabudgetary resources, since it was his

understanding that extrabudgetary resources should not be mixed with regular-budget resources.

56. **Mr. Repasch** (United States of America) asked for clarification of the statement that the development of performance indicators was outside the scope of budget preparation, in view of the requirement that expected accomplishments should be included in the budget sections. He enquired how progress towards the expected accomplishments could be measured in the absence of performance indicators.

57. **Ms. Buergo Rodríguez** (Cuba) said she was pleased that the Secretariat kept the issue of duplication and overlap between the Department of Political Affairs and the Department of Peacekeeping Operations constantly under review. The information presented orally on that subject should be submitted in writing. She shared the concerns of the Ugandan delegation about the use of extrabudgetary resources.

58. She asked for clarification of how the mechanism for the maintenance of high-level contact referred to in paragraph 5.15 (b) (ii) would work. The support activities referred to in paragraphs 5.37 (a) (ii) (w) and 5.37 (b) (i) (a) had been included in the programme budget for 1998-1999. She asked what progress had been made in their implementation. In the delegation of authority from the Department of Management (para. 5.37 (b) (ii) (g)), she wished to know whether the Secretariat was taking into account the relevant General Assembly decisions, particularly its resolutions on human resources management. Lastly, she asked for an explanation of the reference, in paragraph 5.37 (c) (i) (a), to "revisions to financial policy instruments in the light of experience gained in the field". The answers to those questions and to the questions raised by other delegations should be provided in writing.

59. **Mr. Sach** (Director, Programme Planning and Budget Division) said that the fact that both regular-budget and extrabudgetary resources were used in the context of peacekeeping operations did not mean that the two types of resources were mixed. The different types of funds were managed separately, charges against them were recorded separately and they were the subject of separate financial statements. However both were used to underpin the activities of the Department of Peacekeeping Operations. The bulk of the extrabudgetary resources were used to fund posts approved by the General Assembly. Posts funded under the regular budget were also clearly identified. The Secretariat made a choice between the two types of resources only in respect of items such as travel and general temporary assistance; regardless of their source, however, all the funds were used to support peacekeeping operations.

60. With respect to the issue of expected accomplishments and performance indicators, there was currently no requirement to provide information regarding performance indicators in the programme budget proposals, as indicated in paragraph 16 of document A/54/456. Lastly, the delegation of authority took fully into consideration the need for consistency with the Staff Rules and Regulations and with the relevant General Assembly resolutions.

61. **The Chairman** said that she took it that the Committee had completed its first reading of section 5 of the proposed programme budget for the biennium 2000-2001 and wished to refer that section to informal consultations for further consideration.

62. *It was so decided.*

Section 6. Peaceful uses of outer space (continued)

63. **The Chairman** invited the Committee to consider section 6 of the proposed programme budget for the biennium 2000-2001. In that connection she drew the Committee's attention to the recommendations of the Committee for Programme and Coordination contained in paragraphs 150 and 151 of its report (A/54/16).

64. **Ms. Buergo Rodríguez** (Cuba) asked for information on the results of the consultations held in July 1999 with the Committee on the Peaceful Uses of Outer Space on the proposed programme budget for the biennium 2000-2001 (A/54/6 (Vol. II, table 6.3)). With respect to the programme of work of the Office for Outer Space Affairs, she asked what new mandates had resulted from the recommendations of the Third United Nations Conference on the Exploration and Peaceful Uses of Outer Space (UNISPACE III) (para. 6.10). With respect to paragraph 6.11, she asked what criteria would be used to determine which activities should be financed from the regular budget and which should be financed from extrabudgetary resources. She wished to know in what context the recommendation of the Board of Auditors referred to in paragraph 6.18 had been endorsed by the General Assembly. Lastly, she

supported the proposal to finance the participation of individuals from developing countries in the workshops, meetings of experts and training courses of the United Nations Programme on Space Applications (para. 6.21).

65. **Mr. Sach** (Director, Programme Planning and Budget Division) said that the Special Political and Decolonization Committee had just adopted a draft resolution on UNISPACE III (A/C.4/54/L.7), paragraph 11 of which requested the Secretary-General to recommend measures to ensure the provision of adequate resources to implement a number of actions based on the recommendations of UNISPACE III. A report detailing those requirements would be prepared and reviewed the following year. Ninety per cent of the requirements of the Office for Outer Space Affairs, including all posts, would be funded from the regular budget. Extrabudgetary resources would be used only to support technical assistance initiatives such as fellowships, seminars and workshops.

66. **The Chairman** said that she took it that the Committee had completed its first reading of section 6 of the proposed programme budget for the biennium 2000-2001 and wished to refer that section to informal consultations for further consideration.

67. *It was so decided.*

Section 7. International Court of Justice

Section 8. Legal affairs

Section 9. Economic and social affairs

Section 10. Africa: New Agenda for Development

Section 11A. Trade and development

Section 11B. International Trade Centre UNCTAD/WTO

Section 12. Environment

Section 13. Human settlements

Section 14. Crime prevention and criminal justice

Section 15. International drug control

68. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report on parts III and IV, comprising sections 7 to 15, of the proposed programme budget for the biennium 2000-2001 (A/54/7 (chap. II, parts III and IV)).

69. The estimates under part III, comprising sections 7 and 8, totalled $57.5 million.

70. Regarding section 7, paragraphs III.2 to III.10 of the report dealt with the requirements of the International Court of Justice, which were estimated at $21.3 million. That estimate had been prepared before the dramatic increase in the number of cases before the Court, and the Advisory Committee recommended that the resource implications of the situation should be reviewed in order to ensure that the ability of the Court to discharge its mandate was not adversely affected. As the Court took on more cases, the number of ad hoc judges was increasing, and a report had been requested in that connection. The Advisory Committee recommended acceptance of the proposals submitted under section 7.

71. The Advisory Committee drew attention with respect to section 8 to issues relating to arbitration and litigation matters (paras. III.17 and III.18). It recommended acceptance of the requirements under the section.

72. The estimates under part IV, comprising sections 9 through 15, totalled $283.4 million.

73. Section 9 combined resources and programmes that had been presented under three departments prior to the biennium 1998-1999. The regular budget resources proposed under the section amounted to $113.8 million. The Advisory Committee recommended in paragraph IV.12 that the costs of the Office for Inter-Agency Affairs, including staff costs, should be presented more clearly and fully in the next programme budget. In paragraph IV.16, the Advisory Committee repeated its call for an assessment of the impact on the regular budget of the continuing increase in the number of non-governmental organizations involved in the work of the United Nations. In addition, it made a number of comments and recommendations regarding the need to enhance the management of technical cooperation and the use of consultants and ad hoc expert groups, and it called for

improvements in the presentation of the estimates for those objects of expenditure in the next programme budget. The Advisory Committee's comments on the implementation of its previous recommendations were contained in paragraph IV.20.

74. Regular budget resources requested under section 11A amounted to $93.7 million. Information on the utilization of $5.5 million allocated to the trade and development section of the programme budget pursuant to General Assembly decision 52/462 was contained in paragraph IV.33. The Advisory Committee had taken into account the views of the Working Party on the Medium-term Plan and the Programme Budget in making its recommendations on posts and redeployment. It recommended, in paragraph IV.39, that the workload and resources of the Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries should be reviewed, and, in paragraph IV.37, that outputs and services delivered for conferences should be presented more clearly under the relevant subprogrammes. It also called for improvements in the budgeting and presentation of estimates for ad hoc expert groups, travel and consultants. In paragraph IV.54, information was provided regarding the implementation of the Lotus Notes project. The Advisory Committee had examined the development of information systems for programme implementation, monitoring and evaluation under other sections of the proposed programme budget. It had concluded that there was a lack of focus and that the United Nations would save considerable resources if coordination was improved.

75. With respect to section 11B, the Advisory Committee was awaiting the submission by the Secretariat of a revised amount calculated in accordance with the new arrangements endorsed by the General Assembly in decision 53/411 B.

76. The Advisory Committee had focused in its comments on sections 12 and 13 on the programme and budget aspects of the restructuring and reform currently under way in the United Nations Environment Programme (UNEP) and the Habitat programme. In paragraph IV.68, it recommended the enhancement of the presentation of the environment subprogrammes. It expressed concern, in paragraph IV.63, that UNEP was not being adequately reimbursed for the cost of administering convention Secretariat funds. In paragraphs IV.72 and IV.73, it recommended that personnel practices in UNEP should be reformed and that steps should be taken to determine more accurately the level of services that the United Nations Office at Nairobi was required to provide to the organizations at Nairobi.

77. With regard to sections 14 and 15, he said that the Advisory Committee had transmitted its recommendations to the governing bodies concerned.

78. Concern had been expressed regarding the failure to distinguish in the proposed programme budget between activities that were to be funded from the regular budget and those for which extrabudgetary resources would be required. The Advisory Committee was not aware of any intermingling of regular budget and extrabudgetary funds in practice. The problem seemed to lie in the presentation of the proposed programme budget. In the programmes of work prepared by programme managers, the sources of funding were clearly delineated. Difficulties did sometimes arise in determining whether to charge activities to the regular budget or to extrabudgetary funds. The Advisory Committee drew attention to that problem in paragraph II.34 in its comments on section 5 (Peacekeeping operations).

79. **The Chairman** invited the Committee to consider sections 7 and 8 of the proposed programme budget for the biennium 2000-2001. In that connection she drew the Committee's attention to the recommendations of the Committee for Programme and Coordination on section 8 contained in paragraph 161 of its report (A/54/16).

80. **Mr. Sareva** (Finland), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia, and, in addition, Liechtenstein and Norway, said, in connection with section 7, that the Committee should approve the requirements of the International Court of Justice, which, as the Organization's principal judicial organ, fostered peace through the adjudicated settlement of international disputes. The European Union had noted the increase in the number of cases submitted to the Court and concurred with the recommendation of ACABQ in paragraph III.3 of its report that the resource implications of that situation should be reviewed in order to ensure that the ability of the Court to discharge its mandate was not adversely affected. The Court's request for additional translation staff should be granted. The financial resources of the

Court could not be divorced from those of the Organization that provided them. The failure by Member States to pay their assessed contributions violated the principles of free consent, good faith and *pacta sunt servanda* that lay at the heart of international law and relations.

81. With respect to section 8, he said that the European Union had taken note of the increased workload of the United Nations Administrative Tribunal and the General Legal Division, which must be reflected in the resources at their disposal. It supported the efforts to reduce the backlog in the publication of the United Nations *Treaty Series* and the Supplements of volumes of the *Repertory of Practice of United Nations Organs*.

82. **Mr. Herrera** (Mexico) said that the International Court of Justice deserved not only gratitude, but also the financial and human resources it needed to continue its outstanding work. His delegation supported the proposals submitted under section 7, including the requests for the establishment of four new posts and for an additional $416,000 for the Court's printing programme in order to eliminate the large backlog of volumes of the Court's pleadings, arguments and document series. It agreed with the recommendation made by ACABQ in the light of the Court's increasing workload. It was regrettable that the budget for the Court had not been considered by the Committee for Programme and Coordination (CPC) at its thirty-ninth session.

83. **Mr. Moktefi** (Algeria) expressed satisfaction that the Advisory Committee had drawn attention to the problem of the Court's heavy workload, which had virtually doubled. His delegation agreed with ACABQ that the request for four new posts should be accepted. It was pleased to note that the Court was introducing modern technology with a view to improving its capacity for storage and distribution of documents. It would like to know when the Committee would receive the report on unforeseen and extraordinary expenses for the biennium 1998-1999 requested in General Assembly resolution 52/223.

84. **Mr. Repasch** (United States of America) said that the United States strongly supported the work of the International Court of Justice and was actively engaged in several important cases before it. He commended the Court's highly successful web site, which was well designed and user friendly. He trusted that the posting of judgments, transcripts and other Court documents on the web site would lead to reduced printing costs, although the need for skilful editing and translation of documents would remain.

85. **Mr. Kondo** (Japan) said that further efforts were necessary to reduce administrative expenses, which constituted a large part of the regular budget. With regard to section 7, his delegation agreed with the Advisory Committee that, in the light of the Court's increasing workload, its request for four new posts should be accepted. He trusted that the establishment of those posts would expedite the work of the Registry, and that the posts would be filled on the basis of equitable geographical distribution. Notwithstanding the recommendation of the Advisory Committee, his delegation could not support the request under section 8 for an additional P-3 post in the General Legal Division, since no significant changes in terms of resources had been requested for other subprogrammes. The problem of the Division's increased workload should be addressed through the redeployment of a post from another subprogramme. With regard to the new P-3 post requested for the United Nations Administrative Tribunal, it was not clear to his delegation how the level of that post had been determined. He also sought clarification regarding the proposed increase in resource requirements for the International Law Commission to allow the addition of one special rapporteur.

86. **Mr. Lee See-young** (Republic of Korea) said that his delegation, which attached great importance to the work of the International Court of Justice, supported the recommendation of ACABQ regarding the need to review the resource implications of the Court's increased workload.

87. **Mr. Orr** (Canada), noting the greatly increased requirements of the International Court of Justice in respect of contractual services, asked whether the Court had explored the possibility of using the printing facilities of other United Nations bodies when those facilities were not operating at full capacity in order to reduce expenditures for external printing.

88. **Ms. Buergo Rodríguez** (Cuba) said that it was not clear to her why the requirements of the International Court of Justice in respect of contractual services had risen by 58.7 per cent. Noting the Advisory Committee's request in paragraph III.6 of its report that the Secretary-General should submit an

analysis to the General Assembly, together with proposals, if necessary, for adjustment of the various levels specified in resolution 52/223, she said that her delegation was awaiting with interest the issuance of the report requested in paragraph 2 of that resolution.

89. **Ms. González Posse** (Argentina) expressed regret that CPC had not considered section 7 of the proposed programme budget at its thirty-ninth session. Her delegation supported the recommendation made by the Advisory Committee in the light of the increasing number of cases before the International Court of Justice, and agreed that the request for four new posts should be accepted.

90. **Mr. Adam** (Israel) said that his delegation wished to commend the work of the International Court of Justice. He shared the concerns expressed by previous speakers regarding the increased workload of the United Nations Administrative Tribunal.

91. **Mr. Odaga-Jalomayo** (Uganda) welcomed the efforts of the Court to implement the recommendation of ACABQ regarding the introduction of modern technology. It was not clear to him why freelance interpreters and translators received compensation for overtime, whereas staff occupying established posts did not. He also wished to know why administrative time expended in recruitment of freelance staff, contract preparation, and submission and processing of travel claims was not included in the calculation of the cost of freelance staff.

92. **Mr. Halbwachs** (Controller), replying to the questions posed on section 7, said that, as stated in paragraph 7.16 of the proposed programme budget, the resource growth in the area of contractual services was intended for the elimination of the large backlog of volumes of the Court's documents and for the printing of documents, which was mostly undertaken externally, since the Court's resources did not permit the establishment of an internal printing service. He understood that there was an arrangement between the Court and the Department of General Assembly Affairs and Conference Services, whereby the Department's printing service undertook work for the Court during slack periods.

93. Information on unforeseen and extraordinary expenses for the biennium 1998-1999 was provided in the budget performance reports. The report referred to by the representatives of Algeria and Cuba had been drafted and was awaiting translation. He trusted that it would be available in the near future.

94. He would provide written responses to the questions posed by the representative of Uganda regarding the contractual arrangements for freelance staff at a later date.

95. **Mr. Tommo Monthe** (Chairman of the Committee for Programme and Coordination) said that the International Court of Justice, as one of the six principal organs of the United Nations and its principal judicial organ, reported directly on its activities to the General Assembly. It was not therefore within the competence of CPC to consider the Court's programme of work.

96. **Mr. Moktefi** (Algeria) requested that the Secretariat include in its written responses information on the career path of the permanent staff of the International Court of Justice.

97. **The Chairman** said that she took it that the Committee had completed its first reading of section 7 of the proposed programme budget for the biennium 2000-2001 and wished to refer that section to informal consultations for further consideration on the understanding that the Secretariat would respond in writing to the issues raised by the representatives of Uganda and Algeria.

98. *It was so decided.*

The meeting rose at 1.10 p.m.